

LINCOLN CHAFEE U.S. SENATOR RHODE ISLAND

FOR IMMEDIATE RELEASE **Tuesday, September 13, 2005**

CONTACT: Stephen Hourahan 202-224-6167

CHAFEE ANNOUNCES OVER \$10 MILLION FOR CITY OF PROVIDENCE

WASHINGTON, D.C. – The City of Providence will receive grant awards totalling \$10,170,128 from the U.S. Department of Housing and Urban Development, U.S. Senator Lincoln Chafee announced today. All of the funds will go to help reduce housing and shelter costs in Providence, making living more affordable for low and moderate income residents.

Of the award, \$6,407,247 will be awarded under the Community Development Block Grant (CDBG) program, while \$2,676,187 will be awarded as part of the HOME awards program. Additionally, \$764,000 will be given to the Housing Opportunities for Persons with HIV/AIDS (HOPWA) program, and the Emergency Shelter Grant (ESG) Program will receive \$248,423. The remaining \$74,271 will be allocated to the American Dream Downpayment Initiative (ADDI).

"I am very pleased to hear of this substantial award which will help Providence face its increasing needs, including infrastructure, home heating, home loans, and other improvements which will make our capital city better," Senator Chafee said. "While many appreciate the progress being made as part of the ongoing Providence renaissance, this funding will go to improving the low-income areas most in need of help from the federal government. The benefits of this money will echo throughout all aspects of society – increasing urban safety and economic development, facilitating home ownership, and improving the overall conditions of the quality of life for low-income and minority residents," he continued.

Under the CDBG program, the funding will help develop a viable urban community in Providence by assisting with the cost of providing decent housing and a suitable living environment, and will expand economic opportunities for low and moderate income citizens.

The HOME program will help expand the supply of decent, affordable housing to low and very low income families by supplementing costs of Providence's housing programs, assisting them in meeting local needs and priorities. A new initiative under HOME is ADDI, which will work to promote homeownership opportunities by providing necessary resources for downpayment and closing cost assistance to low-income and minority households.

In addition, the HOPWA program provides housing assistance and related supportive services to Providence residents for projects that benefit low-income persons medically diagnosed with HIV/AIDS and their families.

Finally, the ESG program will use funding to improve the quality and number of emergency homeless shelters throughout the Providence area.

###